

Consumer Perceived Value Analysis of New & Incumbent Brands of Gudang Garam & Sampoerna

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ABSTRACT

Gudang Garam and Sampoerna are the biggest cigarette companies in Indonesia. Both of them have both incumbent and new brands. Gudang Garam has Surya 16 as its incumbent brand and just released Surya Slim as its new brand, while Sampoerna has A Mild as its incumbent brand and introduced Avolution as its new brand. The companies pursued different approaches in introducing the new brands. Print ads are the main source of information about their strategy. It conveys messages about value to be offered to the market. Analysis of visual and text or copy elements of the ads are analyzed and mapped into the Consumer Perceived Value (CPV) framework from Sweeney & Soutar. The framework is divided into four dimensions: emotional, social, quality and value for money. Qualitative analysis shows how the two companies introduced their new brands and its relation to the incumbent brands.

Keywords: brand, innovation, consumer perceived value, advertising, cigarette industry

Introduction

Competition always happens in every industry, including cigarette industry. Cigarette industry is interesting. Brand in this industry is numerous for incumbent yet new brand. The brands grow constantly every year. It is undoubted that cigarette business generate big amount of money. Competition issue strikes everything business, both of existing brand (incumbent) and new brand (penetrating). The challenge is how to sustain in the market for incumbent brand and how to penetrate the market for new brand. For incumbent brand, there is a marketing theory called “market leader discipline”, by Tracy and Wiersema, define that a market leader should understand for three principles. Operational excellence means efficiently, consistently and cost effectively providing a limited range of standard or routine services.

Customer intimacy means developing and maintaining intimate relationships with selected groups of current or new customers. Product leadership means continuously developing and launching new programs and services not readily available elsewhere. They build their operating models and align their organization’s support and decision making structures and employees to deliver on their distinctive promise. An incumbent brand should keep these principles up so they can sustain in the market. Innovation in every line is necessary to keep customer coming back.

According to Kotler, general strategy for new brand is targeting niche market, and offering something different. Targeting niche market rather than the general one is for avoiding direct competitor from market leader. By aiming more niche market, new brand has opportunity to grab cigarette market share. In the future, they expand market to more general

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market. In order to maintain its position as market leader, incumbent brand need to do innovation, while new brand has to be different to be succeed in penetrating. It is interesting because both of innovation and be different are similar when it is applied to market. Incumbent brand should offer something new to market before it is declining while new brand should obviously offer something new to get attention of target market. Offering something similar to what has been in the market will make insignificant profit for new play. The theory about unique selling proposition explains about this issue. Reeves (1961) explain that every business/product/service has to make it unique selling proposition. It because they have to be different, makes their self remarkable by target market. Therefore target market can easily recall about a cigarette brand when they need it. In short, unique selling proposition is about what makes your cigarette brand is different.

Unique selling proposition can be measured by some methods. One of the methods is consumer perceived value. Consumer perceived value (CPV) is categorized proposition which offered by company through dimensions. CPV is determined from advertising of each company which represent incumbent and new brand in industry. Furthermore, knowing where is the position of the company and competitor will let company know what step that necessary to be better in competition. Incumbent brands and new brands in this research are taken from two different companies. Each company has one incumbent brand in the market and one new brand in the market. Later, besides knowing innovation of each category, this research only reveal about strategy each company regarding incumbent brand and new brand in term of CPV. Do incumbent brand sustain in the market by introducing innovation? Do new brand succeed penetrating market by introducing innovation?

Research questions for this project are given below:

- a) Does CPV method show innovation indication from incumbent brand in cigarette industry?
- b) Does CPV method show innovation indication from new brand in cigarette industry?

- c) Does CPV method show innovation indication from Gudang Garam which represented by Surya 16 and Surya Slim?
- d) Does CPV method show innovation indication from Sampoerna which represented by Sampoerna A Mild and Sampoerna Avolution?

Theoretical Foundation

Unique Selling Proposition

A business indeed needs a unique selling proposition in order to be different and stand out from the crowd. Reeves (1961, p. 44-46) had mentioned "Each advertisement must make a proposition to the consumer. Not just words, not just product puffery, not just show window advertising. Each advertisement must say to each reader: "Buy this product, and you will get this specific benefit." The proposition must be one that the competition either cannot, or does not, offer. It must be unique—either a uniqueness of the brand or a claim not otherwise made in that particular field of advertising. The proposition must be so strong that it can move the mass millions, i.e., pull over new customers to your product." Further, unique selling proposition will be elaborated in consumer perceived value. Consumer perceived value is needed because it is necessary to see what consumer perception a product (or service). Consumer perceived value is appropriate model to percept offering value from a brand.

Consumer Perceived Value

Customer perceived value has been defined by Sweeney and Soutar in 2001. They mentioned customer perceived value as a strategy imperative for producers and retailers in the 1990s, and it will be of continuing importance into the twenty-first century (Vantrappen, 1992; Woodruff, 1997; Forester, 1999). Zeithaml (1998, p 14) has suggested that perceived value can be regarded as a "consumer's overall assessment of the utility of a product (or service) based on perception of what it received and what is given." It means that perceived value is comparison of product's (or service) 'get' and 'given' components. Zeithaml also argued that some consumers perceive value when there is a low price; others perceive value when there is a balance between quality and price. This

component of perceived value will be weighted differently as component by different customer. Zeithaml found that some consumer obtained value from all relevant 'get' and 'give' components, leading to definition of perceived value.

Another definition of perceived value is by "the ratio or tradeoff between quality and price" which is a value for money conceptualization [(Chain Store Age (1985); Cravens Holland, Lamb & Moncrieff (1988);

and Monroe (1990)]. "Providing superior value to the buyer in term of product quality, special feature, or after-sale service" (Porter, 1990. p 37). Those definitions show that existing value constructs are too narrow and that dimensions other than price and quality would increase the construct's usefulness (Sweeney & Soutar, 2001). Sweeney and Soutar (2001) had divided consumer perceived value into 4 categories as in Table 1.

Table 1. Consumer perceived value description

Dimension	Description
Emotional Value	The utility derived from the feelings or affective states that a product generates
Functional Value(Performance/Quality)	The utility derived from the perceived quality and expected performance of the product
Functional Value (Price/Value for Money)	The utility derived from the product due to the reduction of its perceived short term and longer term costs
Social Value(Enhancement of Social Self-Concept)	The utility derived from the product's ability to enhance social self-concept

This is summary of final results from exploratory factor analysis done by Sweeney and Soutar in 2001. There are 19 items that has scored based on tendency to drive customer to what consumer perceived value dimension. Use the table as basis, it can be defined that if a product use one of an item above, the product has intention about to approach customer with dimension where the item is high scored. For example, if a product has an ad contain 'has consistent quality'

approach, the product is about to position itself with 'quality' dimension of consumer perceived value. It can be conclude to categorize these items into four dimensions. Item number one to six categorized as quality dimension. Item number seven to eleven categorized as emotional. Item number twelve to fifteen categorized as price. Item number sixteen to nineteen categorized as social. The elaboration is shown in Table 2.

Table 2. Consumer perceived value dimension indicators

No.	Items	Dimension
1	has consistent quality	Quality
2	is well made	
3	has an acceptable standard of quality	
4	has good workmanship	
5	would last a long time	
6	would perform consistently	
7	is one that I would enjoy	Emotional
8	would make me want to use it	
9	is one that I would feel relaxed about using	
10	would make me feel good	
11	would give me pleasure	
12	is reasonably priced	Price
13	offers value for money	
14	is a good product for the price	
15	would be economical	
16	would help me to feel acceptable	Social

17	would improve the way I am perceived
18	would make a good impression on other people
19	would give it's owner social approval

Those indicators will be used as determination of Surya 16 type of consumer perceived value campaign

Research Methodology

One of the methods to know the way company deliver perception to consumer is consumer perceived value (CPV). This whole research uses qualitative data. Based on Zickmund, Babin, Carr, Griffin (2010), qualitative research addresses business objective through techniques that allow the researcher to provide elaborate interpretations of market phenomena without depending on numerical measurement. To conduct qualitative research, it is needed to have qualitative data. Surya 16, Sampoerna A, Surya Slim & Sampoerna Avolution advertising data is taken from competitive review of cigarette industry from McCann Erickson advertising agency. The goal of this research is to find out the answer of questions below:

- a) Defining CPV Dimension of Incumbent and New Brands.
- b) Defining CPV Dimension of Gudang Garam & Sampoerna Brands

New brand 1 and incumbent brand 1 is from Sampoerna, while new brand 2 and incumbent brand 2 is from Gudang Garam. Instead of having analysis of incumbent brand to new brand, innovation of each brand toward their new product also can be measured by CPV method. This research use only print ad to analyze consumer perceived value of the whole campaign. Print advertising of an integrated marketing communication is related to whole campaign communication. Print has exactly same message from other communication if it is in one integrated

marketing communication. Print can be analyzed better than TVC and activation.

Data Analysis

CPV Analysis for Incumbent Brand

Incumbent brand is represented by Surya 16 and Sampoerna A Mild. Surya 16 represent incumbent brand for SKM (Sigaret Kretek Mesin) with particular segmentation, while Sampoerna A Mild represent incumbent brand for Mild with particular segmentation. Both of them already exist in market since years ago. Surya 16 is known as SKM with national wide distribution. SKM is well known as kretek cigarette which made by tobacco, clove yet sausage and made by machine. Surya 16 targeted 30-40 years old man, mature, in-control, success oriented and established. In this segmentation, Surya 16 has competitors such Gudang Garam Filter International, Djarum Super and Dji Sam Soe. Sampoerna A Mild is well known mild cigarette which targeted 20-35 years old, young at heart, ambitious, and street smart. In this segmentation, Sampoerna A Mild has competitors such LA Lights, Clasmild, X Mild, U Mild, and Star Mild.

CPV Analysis for Surya 16

Surya 16's slogan is "citra eksklusif" or "exclusive image". In 2010, Surya 16 has made thematic campaign with tag line "sukses adalah sebuah pencapaian" or "success is an achievement".



Figure 1. Surya 16 "The Photographer" Campaign print advertising (Source: McCann Competitive Review Database)

Copywriting of this campaign shows “sukses adalah sebuah pencapaian” or “success is an achievement”. This analysis is divided into four dimensions of consumer perceived value:

- a) Quality Dimension: “success” refers to success of an individual life, and “achievement” emphasizes the definition of success. Success in achievement has no correlation to quality dimension because quality dimension cover up quality or performance of a product while success is achievement does not talk about a quality or performance.
- b) Value for Money Dimension: This copywriting has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while success is achievement do not talk about any discount price and money. Success is achievement is more about principle.
- c) Emotional Dimension: This copywriting has no correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how delicious a product and make someone want to use it while success is achievement do not talk about any self joyfulness. Success is achievement is more about principle.
- d) Social Dimension: This copywriting has correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group, it can be showing how precious a product and make someone status elevated by this product while success is achievement talk about principle of success. Therefore, this product supposed to be recognized as symbol of this kind definition of success.

The items of social dimension are:

- a) would help me to feel acceptable: Success in achievement is showing a principle. This product is symbol of the principle. Word “success” refers to success of an individual life, and “achievement” emphasizes the definition of success. This principle would make the user feel acceptable. However, the way of the product help user to feel more acceptable is because this product improves the way user perceived in his/her social group.
- b) would improve the way I am perceived: This success principle elevates the user

perceived. By using this product, the user has been symbolized as person who commits to achieve something to be success. This instantly makes improvement for user perceived among his/her social group.

- c) would make a good impression on other people”: This success principle would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- d) would give its owner social approval: This success principle would give its owner social approval. However, the way the product give its owner social approval is because this product improves the way user perceived in his/her social group.

The visual of this print ad shows about a man who is looking his camera with background buildings shoot by his works. He use casual suit to show his position as success man. Even though he seems like success individual, he doesn’t mind to work in the street. The people below stare at the building because they amazed with photography works shoot into the building.

This print ad show about successful man with achievement. Surya 16 wants to show that its user has that character. So, they who use Surya 16 will feel that they are the part of success people with achievement. Considering CPV theory, this is matched with “Would perceive the way I am” indicator in social dimension as stated in Table 2.

The analysis of the visual part divided into four dimensions of consumer perceived value as follows:

- a) Quality Dimension: This visual is showing how a man can be success with his hobby (photography) through an achievement he made. Being success by achievement has no correlation to quality dimension because quality dimension cover up quality or performance of a product while being success with hobby through achievement do not talk about a quality or performance.
- b) Value for Money Dimension: This visual has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a

discount promo while being success with hobby through achievement do not talk about any discount price and money. Success is achievement is more about principle.

- c) Emotional Dimension: This visual has no correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how delicious a product and make someone want to use it while being success with hobby through achievement do not talk about any self joyfulness. Being success with hobby through achievement is more about principle.
- d) Social Dimension: This visual has correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group, it can be showing how precious a product and make someone status elevated by this product while being success with hobby through achievement talk about principle of success. Therefore, this product supposed to be recognized as symbol of this kind definition of success.

The items of social dimension are:

- a) would help me to feel acceptable: This visual is about how a man can be success with his hobby (photography) through an achievement he made is showing a principle. This product is symbol of the principle for its user. This principle would make the user feel acceptable. However, the way the product help user to feel more acceptable is because this product improves the way user perceived in his/her social group.

- b) would improve the way I am perceived: Principle represented by the visual elevates the user perceived. By using this product, user has symbol as person who committed achieving something to be success. This instantly makes improvement for user perceived among his/her social group.
- c) would make a good impression on other people: Principle represented by the visual would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- d) would give its owner social approval: Principle represented by the visual would give its owner social approval.

However, the way the product give its owner social approval is because this product improves the way user perceived in his/her social group. Both visual and copywriting of this print ad which represent Surya 16 campaign positively refers to “would perceived the way I am” indicator in social dimension. So, it can be stated that Surya 16 which represented by this campaign is using social dimension of consumer perceived value.

CPV Analysis for Sampoerna A Mild

Sampoerna A Mild slogan is “bukan basa basi” or “not only lips service”. In early 2010, A Mild has released “Go Ahead” campaign. This print as part of integrated marketing campaign is represented consumer perceived value of whole A Mild campaign.



Figure 2. A Mild “Go Ahead” campaign print advertising (Source: McCann Competitive Review Database)

This print ad has no clear written text. It has no text separated of visual or photography. The only readable text in this print ad is only "Go Ahead" besides government health warning below. "Go Ahead" means a phrase that used for encourage people to do something. It intends to make people don't think too much before doing something. This is in line with A Mild basic slogan "bukan basa basi". Both of them are about encouraging people to do something, to take action without questioning first or talking too much. Furthermore, A Mild wants to make people think that user of Sampoerna A Mild is people who take action first as pioneer. Smoking Sampoerna A Mild will makes people become the part of take-action people. This is matched with "would perceive the way I am" consumer perceived value indicator from social dimension as in Table 2.

The analysis of copywriting divided into four dimensions of consumer perceived value:

- a) Quality Dimension: "Go Ahead" refers to a phrase that encourages people to do something than is too much thinking. This is the kind of principle for people who used to take action. "Go Ahead" has no correlation to quality dimension because quality dimension cover up quality or performance of a product while "Go Ahead" do not talk about a quality or performance.
- b) Value for Money Dimension: This copywriting has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while "Go Ahead" do not talk about any discount price and money. "Go Ahead" is more about principle.
- c) Emotional Dimension: This copywriting has no correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how delicious a product and make someone want to use it while "Go Ahead" do not talk about any self joyfulness. "Go Ahead" is more about principle.
- d) Social Dimension: This copywriting has correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group, it can be showing how precious a product

and make someone status elevated by this product while "Go Ahead" talk about principle to always take action. Therefore, this product supposed to be recognized as the symbol of this character.

The items of social dimension are:

- a) would help me to feel acceptable": "Go Ahead" shows take-action personality. This product is the symbol of personality. Word "Go Ahead" refers to a phrase that encourages people to do something than thinking too much. This personality would make the user feel acceptable. However, the way the product help user to feel more acceptable is because this product improves the way user perceived in his/her social group.
- b) would improve the way I am perceived: This personality would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- c) would make a good impression on other people: Principle represented by the visual would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- d) would give its owner social approval: This personality would give its owner social approval. However, the way the product give its owner social approval is because this product improves the way user perceived in his/her social group.

The visual shown by Figure 2 only maze shaped letter G and O at above and H E A D at below. In center of the maze there is big A, logo of Sampoerna A Mild. The maze means confusion or problem. This visual wants to show people to not confuse like a maze before do something. Just go ahead and doing something. This visual has intention to symbolized people who smoke Sampoerna A Mild as the brave people. They are people who take action first in every opportunity. A Mild wants to deliver message that the smoker of A Mild are people who smart enough to take action. This is match will one indicator of consumer perceived value as in Table 2 "would perceive the way I am".

The analysis of the visual part divided into four dimensions of consumer perceived value as follows:

- a) **Quality Dimension:** This visual is showing typography of “Go Ahead” word. This kind of visual has function to emphasize this ad copywriting. Word “Go Ahead” refers to a phrase that encourages people to do something than thinking too much. This personality has no correlation to quality dimension because quality dimension cover up quality or performance of a product while being taking action rather than too much thinking do not talk about a quality or performance.
- b) **Value for Money Dimension:** This visual has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while being taking action rather than too much thinking do not talk about any discount price and money. Taking action is more a character of a man.
- c) **Emotional Dimension:** This visual has no correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how delicious a product and make someone want to use it while being taking action rather than too much thinking do not talk about any self joyfulness. Taking action is more a character of a man.
- d) **Social Dimension:** This visual has correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group, it can be showing how precious a product and make someone status elevated by this product while being taking action rather than too much thinking talk about a character of a man. Therefore, this product supposed to be recognized as symbol of this kind character.

The items of social dimension are:

- a) would help to feel acceptable: This visual is showing typography of “Go Ahead” word. This kind of visual has function to emphasize this ad copywriting. Word “Go Ahead” refers to a phrase that encourages people to do something than thinking too

much. This character would make the user feel acceptable. However, the way the product help user to feel more acceptable is because this product improves the way user perceived in his/her social group.

- b) would improve the way I am perceived: The character represented by this visual elevates the user perceived. By using this product, the user symbolized as person who commit to achieve something to be success. This instantly makes improvement for user perceived among his/her social group.
- c) would make a good impression on other people: The character represented by this visual would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- d) would give its owner social: The character represented by this visual would give its owner social approval. However, the way the product give its owner social approval is because this product improves the way user perceived in his/her social group.

Both of copywriting and visual match to indicator product which “would perceived the way I am” in social dimension indicator of consumer perceived value as in Table 2. Therefore, Sampoerna A Mild “Go Ahead” campaign has message that Sampoerna A Mild is encouraging people to make a move in their life.

CPV Analysis for New Brands

The new brands represented by Surya Slim & Sampoerna Avolution. Both of them are new product in the market. Surya Slim was launched less than two years ago and Sampoerna Avolution was launched less than three years ago. Even though three and two years ago are such a long time, compared to Surya 16 & Sampoerna A Mild which are already stand on the market more than 30 years ago, Surya Slim & Sampoerna Avolution are counted as new.

Surya Slim’s target markets are people who 20-35 years old, young at heart, ambitious, and street smart. In this segmentation, Surya Slim has competitors such as Sampoerna A

Mild, LA Lights, Clasmild, X Mild, U Mild, and Star Mild. Sampoerna Avolution's target markets are people who 20-35 years old, young at heart, ambitious, and want to be different. In this segmentation, Sampoerna Avolution has competitors such as Sampoerna A Mild, LA Lights, Clasmild, X Mild, U Mild, and Star Mild.

CPV Analysis for Surya Slim

Surya Slim has launched "Escape the Ordinary" campaign since early 2010. In 2009, they had launched "Perubahan Itu Perlu" or "Change is Necessary" campaign. This latest print advertising and first launched in January 2010.



Figure 3. Surya Slim "Escape the Ordinary" campaign print advertising (Source: McCann Competitive Review Database)

The analysis of copywriting divided into four dimensions of consumer perceived value:

- a) Quality Dimension: "Escape The Ordinary" refers to encouragement for people to live out of ordinary way. This kind of principle is for people who used to be different. "Escape The Ordinary" has no correlation to quality dimension because quality dimension cover up quality or performance of a product while "Escape The Ordinary" do not talk about a quality or performance.
- b) Value for Money Dimension: This copywriting has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while "Escape The Ordinary" do not talk about any discount price and money. "Escape The Ordinary" is more about principle.
- c) Emotional Dimension: This copywriting has no correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how delicious a product and make someone want to use it while "Escape The Ordinary" do not talk about

any self joyfulness. "Escape The Ordinary" is more about principle.

- d) Social Dimension: This copywriting has correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group, it can be showing how precious a product and make someone status elevated by this product while "Escape The Ordinary" talk about principle to always take action. Therefore, this product supposed to be recognized as symbol of this kind definition of character.

The items of social dimension are:

- a) would help to feel acceptable: "Escape The Ordinary" shows live differently personality. Word "Escape The Ordinary" refers to encouragement for people to live out of ordinary way. This personality would make the user feel acceptable. However, the way the product help user to feel more acceptable is because this product improves the way user perceived in his/her social group.
- b) would improve the way I am perceived: This personality elevates the user perceived. By using this product, user

have symbol as person who commit to achieve something to be success. This instantly makes improvement for user perceived among his/her social group.

- c) would make a good impression on other people: This personality would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- d) would give its owner social: This personality would give its owner social approval. However, the way the product give its owner social approval is because this product improves the way user perceived in his/her social group.

“Escape the Ordinary” is a challenge to escape from ordinary life. Surya Slim want to dare its target market to be different, to ride over the routine, and escape from ordinary life. Surya Slim want to be noted as cigarette brand for extraordinary people. This campaign wants its target market to smoke Surya Slim if they are extraordinary or they want to be extraordinary. So this campaign is about what consumer wants to be perceived by using this product. This is match with “would perceive the way I am” indicator of Table 2. This indicator refers to social dimension of consumer perceived value. In short, by copywriting Surya Slim is using social dimension of consumer perceived value.

The analysis of the visual part divided into four dimensions of consumer perceived value as follows:

- a) Quality Dimension: This visual shows symbol about how these two people live in different way and people adore them. It is talking about live in extraordinary way. This personality has no correlation to quality dimension because quality dimension cover up quality or performance of a product while being extraordinary does not talk about a quality or performance.
- b) Value for Money Dimension: This visual has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while being extraordinary do not talk about any discount price and

money. Being extraordinary is more a character of a man.

- c) Emotional Dimension: This visual has no correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how delicious a product and make someone want to use it while being extraordinary talk about any self joyfulness. Being extraordinary is more a character of a man.
- d) Social Dimension: This visual has correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group, it can be showing how precious a product and make someone status elevated by this product while being extraordinary talk about a character of a man. Therefore, this product supposed to be recognized as symbol of this character.

The items of social dimension are:

- a) would help to feel acceptable: This visual is showing about how live differently in adorable way. It is talking about live in extraordinary way. This product symbolized the extraordinary people. This character would make the user feel acceptable. However, the way the product help user to feel more acceptable is because this product improves the way user perceived in his/her social group.
- b) would improve the way I am perceived: This character elevates the user perceived. By using this product, user symbolized as person who commit to achieve something to be success. This instantly makes improvement for user perceived among his/her social group.
- c) would make a good impression on other people: This character would make a good impression on other people. However, the way the product makes a good impression on other people is because this product improves the way user perceived in his/her social group.
- d) would give its owner social: This character would give its owner social approval. However, the way the product give its owner social approval is because this product improves the way user perceived in his/her social group.

Visual of this print shows a young casual man and young fashionable woman trapped in bubble. They look happy and enjoy being trapped in the bubble. They are trapped in the middle of metropolitan city street. People with urban outfit are looking at both of them and seem surprised. These man and woman in the bubble symbolized escaping from ordinary. They are extraordinary because they are free to go anywhere they want by the bubble.

Surya Slim want to deliver the message that its user are extraordinary individual. This campaign wants their target market smoke Surya Slim if they are extraordinary or they want to be extraordinary. This Surya Slim campaign is about what consumer wants to be perceived by using this product. This is match

with “would perceive the way I am” indicator of Table 2. This indicator refers to social dimension of consumer perceived value. This print ad which represents Surya Slim campaign is using social dimension of consumer perceived value to approach target market.

CPV Analysis for Sampoerna Avolution

Sampoerna Avolution first launched in 2008. This product offers a unique shape or cigarette. Sampoerna made this product as slim cigarette, packed in square long box which arranged in 4x4 sticks. Standard pack 16 cigarette used to be arranged in 2x4 sticks.



Figure 4. Avolution “Slim Smooth Square” campaign print advertising
(Source: McCann Competitive Review Database)

This print has copy written “slim smooth square”. This text refers to the shape and taste of the product. Slim refers to shape of cigarette stick. Smooth refers to taste of cigarette. Square refers to unique shape of cigarette pack which completely square. Whole message of these three words is about Avolution is an evolution of a cigarette. This is completely innovation in matter of cigarette shape and how it packed. Furthermore, Avolution are intended to be pioneer of smoking for lifestyle. It means people do not smoke to taste cigarette, but they do it for lifestyle. Avolution with this campaign want to be part of new lifestyle for smoking. This print message supposed to encourage people to try this product, cigarette with big difference idea. This product would make user want to try it. It is match with “would make me want to use it” indicator in Table 2. “would make me want to use it” is

one of indicator for emotional dimension of consumer perceived value. So, by its copywriting, this print is using emotional dimension of consumer perceived value. Phrases of Avolution copy refer to two kinds of dimension which are quality and emotional. However, “Slim Smooth Square” strongly more too emotional because the only correlation to quality dimension is the “Smooth” while “Smooth” also can be associated to emotional dimension. Considering of that, “Slim Smooth Square” is categorized to emotional dimension of CPV.

The analysis of copywriting divided into four dimensions of consumer perceived value:

- a) Quality Dimension: “Slim Smooth Square” refers to what kind of product Sampoerna offers. Slim is shape of the stick, smooth is blending of cigarette and

square is shape of the box. "Slim Smooth Square" has a correlation to quality dimension because quality dimension cover up quality or performance of a product while smooth here refer to quality of blend.

- b) Value for Money Dimension: "Slim Smooth Square" has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while "Slim Smooth Square" do not talk about any discount price and money. "Slim Smooth Square" is more physical character of the product.
- c) Emotional Dimension: "Slim Smooth Square" has correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how unique a product and make someone want to use it while "Slim Smooth Square" talk about unique shape of cigarette and high quality.
- d) Social Dimension: "Slim Smooth Square" has no correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group while "Slim Smooth Square" talk about the product itself. How it shaped and what it is in the product.

The items of emotional dimension are:

- a) is one that I would enjoy: "Slim Smooth Square" emphasize in uniqueness of the product, the shape, form and ingredients. However, none of them have correlation that this Avolution is one the user would enjoy. "Slim Smooth Square" is more to this product is intriguing and makes user want to use it.
- b) would make me want to use it: It offers different physical character of cigarette and leads to different and unique. "Slim Smooth Square" is more to this product is intriguing and makes user want to use it.
- c) is one that I would feel relaxed about using it: offers different physical character of cigarette and leads to different and unique. It has nothing to do with relaxed about using it.
- d) would make me feel good: It offers different physical character of cigarette and leads to different and unique. It does not really can make user feel good because

"Slim Smooth Square" do not promise anything about making feel good.

- e) **would give me pleasure:** It offers different physical character of cigarette and leads to different and unique. It does not really can give user pleasure because "Slim Smooth Square" do not promise anything about giving pleasure.

The visual of this print is snow square ornament with color of red, black and slight green. All of these ornaments arranged diagonally and the text make it look like is going up. In foreground, there are big Avolution logo with letter A like A Mild logo and typography of "slim smooth square". This visual use square ornament to emphasize message from copy "slim smooth square". This visual has purpose to emphasize from copy, so this visual has same consumer perceived value dimension, emotional.

The analysis of the visual part divided into four dimensions of consumer perceived value as follows:

- a) Quality Dimension: This visual is showing modern ornament of square with red, some pale green and most of it is black. This visual is intended to emphasize message of the copy. "Slim Smooth Square" has a correlation to quality dimension because quality dimension cover up quality or performance of a product while smooth here refer to quality of blend.
- b) Value for Money Dimension: This visual has no correlation to value for money dimension because value for money dimension cover up value of money which offer by product, it can be cheaper or in a discount promo while "Slim Smooth Square" do not talk about any discount price and money. "Slim Smooth Square" is more physical character of the product.
- c) Emotional Dimension: This visual has correlation to emotional dimension because emotional dimension cover up joyfulness which offer by product, it can be showing how unique a product and make someone want to use it while "Slim Smooth Square" talk about unique shape of cigarette and high quality.
- d) Social Dimension: This visual no have correlation to social dimension because social dimension cover up how somebody can feel better in his/her social group

while “Slim Smooth Square” talk about the product itself. How it shaped and what it is in the product.

pleasure because “Slim Smooth Square” do not promise anything about giving pleasure.

The items of emotional dimension are:

- a) is one that I would enjoy: This visual is showing abstract intriguing modern ornament of square with red, some pale green and most of it is black. This visual is intended to emphasize message of the copy. “Slim Smooth Square” emphasize in uniqueness of the product, the shape, form and ingredients. However, none of them have correlation that this Avolution is one the user would enjoy. “Slim Smooth Square” is more to this product is intriguing and makes user want to use it.
- b) would make me want to use it: This message of visual offers different physical character of cigarette and leads to different and unique. “Slim Smooth Square” is more to this product is intriguing and makes user want to use it.
- c) is one that I would feel relaxed about using: This message of visual offers different physical character of cigarette and leads to different and unique. It has nothing to do with relaxed about using it.
- d) would make me feel good: This visual is intended to emphasize message of the copy. It does not really can make user feel good because “Slim Smooth Square” do not promise anything about making feel good.
- e) would give me pleasure: This message of visual does not really can give user

Market Maturity Based: Incumbent and New Brands Analysis

Based on analysis above, it can be stated that incumbent brands, Surya 16 and Sampoerna A Mild, do consumer perceived value dimension of social. Surya 16 emphasize value of success people through “sukses adalah sebuah pencapaian” or “success is achievement”. Sampoerna A Mild emphasizes value of taking action people, who pioneer action in anything through “Go Ahead”. Surya 16 and A Mild want its target market to recognize their brand as badge for success people and pioneer people. This kind of approaching is categorized in social dimension because it matches with “would perceive the way I am” indicator in Table 2.

Surya Slim and Sampoerna Avolution do not use same consumer perceived value dimension. Surya Slim wants their product recognize as the product for extraordinary people. This approaching match to social dimension of consumer perceived value by Sweeney Soutar in 2001. Sampoerna Avolution release campaign “slim smooth square” to make target market recognize Avolution as unique product that will deliver new experience. This kind of approaching is categorized as emotional dimension because it match to “would make me want to use it” indicator in emotional category in Table 2.

Table 3. Summary CPV of incumbent brand and new brand

Market Maturity	Incumbent Brand		New Brand	
	Surya 16	A Mild	Surya Slim	Avolution
CPV	Social	Social	Social	Emotional

It can be stated that incumbent brands use the same CPV with most of cigarette industry. Majority of industry use social perceived value, therefore incumbent brands do not revamp their CPV. Incumbent brands do not have innovation regarding consumer perceived value. In the meantime, new brands which represented by Surya Slim and Avolution show different result. Surya Slim use social dimension and Avolution use emotional dimension. It can be conclude that new brand do innovation regarding consumer perceived

value dimension. In further analysis, Surya Slim with social dimension approach also do innovation, in term of targeting niche market. Surya Slim aim different psychographic of target market. Compared into mild cigarette positioning in Indonesia, Surya Slim has different psychographic target, as cigarette for extraordinary people. Surya Slim does not open new market by place different CPV but they run across different psychographic in the same CPV as other Mild brand.

Constant communication is needed in business, particularly in cigarette business. In basic marketing rules, every brand has to be at top of consumer mind. It is not easy to achieve with numerous and powerful competitors. Psychographic or character is very important to differentiate each cigarette brand. Brand has to hardly differentiate their positioning from another since aiming same target market in similar demographic. Communication message must be the aspiration because cigarette is considered as a “badge” for target market. Rule for cigarette ad is to be aspiration. The campaign should encourage people to achieve something.

Company Based: Gudang Garam and Sampoerna Analysis

Based on analysis above, Gudang Garam has been running Surya 16 with social dimension of consumer perceived value in latest campaign. In the last two years, Gudang Garam also has released new product called Surya Slim. Surya Slim approach their target market by use social dimension of consumer perceived value. Sampoerna has been running A Mild for years. Its campaign use social dimension of consumer perceived value. Sampoerna also released new product called Avolution, which has been in the market for last two years, use emotional consumer perceived value.

Table 4. Summaries CPV of Gudang Garam and Sampoerna

Company Based CPV	Gudang Garam		Sampoerna	
	Surya 16 Social	Surya Slim Social	A Mild Social	Avolution Emotional

It can be stated that Gudang Garam does not have innovation in term of CPV regarding comparison between existing product and new Both of Gudang Garam products use the same CPV dimension as most of cigarette industry CPV dimension which is social dimension. Sampoerna has been implementing different approach between new product and existing product. Existing product of Sampoerna uses the same CPV dimension as most of cigarette brands.

However, new brand of Sampoerna uses different approach. Avolution uses emotional dimension of CPV. So, it can be stated that Sampoerna has innovation in term of CPV because even though Sampoerna’s existing brand still uses common CPV for cigarette, new product of Sampoerna has been trying to opennew possibility to reach different dimension of CPV.

Conclusion

Gudang Garam and Sampoerna used different approaches in introducing the new brands. Even though, in the end both do innovation to get bigger market share. To measure innovation, it needed to get knowledge about what the common strategy used in cigarette industry. For incumbent brand, Gudang Garam and Sampoerna use similar strategy although for different segments. Gudang Garam Surya 16 is aimed at target market of man in 30-40 years old, mature, in-control and established; Sampoerna A Mild aim the target market of 25-35 years old, young at heart, ambitious and street smart; they both use same approach to their target market, social dimension. Surya 16 wants to be recognized as the product for success

people who accomplished an achievement. Sampoerna A Mild wants to be recognized as cigarette for the trend setter or pioneer. Both of Gudang Garam and Sampoerna have new and incumbent brands. New brand and incumbent brand show different result of CPV analysis. Surya 16 and A Mild as incumbent brand moves in social dimension while Surya Slim and Avolution does not move in same way. Surya Slim moves in different psychographic in social dimension while Avolution moves in totally different dimension. It moves in emotional dimension by offering unique shape of cigarette. Gudang Garam shows no innovation indication regarding CPV. Sampoerna shows CPV innovation in one of their product, Avolution. Incumbent brands which are represented by Gudang Garam Surya 16 and Sampoerna A Mild does not

show indicator to use other CPV than social dimension. Based on our analysis, majority of nation-scale cigarette brands use CPV social dimension and incumbent brands also use social dimension so it can be stated that incumbent brands show no innovation in term of CPV. New brands which are represented by Gudang Garam Surya Slim and Sampoerna Avolution have indication of innovation regarding CPV. Surya Slim analyzed has been using social dimension CPV, so this brand has no indicator toward innovation in term of CPV. In the meantime, Avolution moves in different CPV than most of cigarette brand in Indonesia.

Limitations and Future Research

This research has limitations. It only captures two companies: Sampoerna and Gudang Garam. Data for this research is only taken from competitive review of McCann for cigarette industry from January 2009 to February 2010; consist of print advertising as

representation of company campaign, and communication strategy. This research only uses copywriting and visual analysis; and CPV as tools to identify innovation. This research will be better if it includes more experts' insight to determine consumer perceived value. Since this research involve subjective measurement, insight from expert is necessary to get better analysis. Further, deep analysis about whole integrated marketing communication will bring better conclusion.

This research only provides analysis of copy and visual of print ad, which in general represent the whole campaign. However, there are some elements that print ads cannot achieve, such as video, audio and experience. Analysis of TVC and brand activation will reveal more insight this research objective. Future research is also needed to know about how different CPV affect sales, especially for Avolution that innovates its CPV from Sampoerna's incumbent brands.

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